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MEMORATION FOR: Assistant Chief of Staff, Intelligence,

Department of the Army

ATTENTION: Combat Intelligence/Development Division,

Research and Development Branch

SUBJECT: Estimated Costs of Selected Soviet Units

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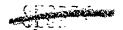
Assistant Director

Enclosure:

Estimated Costs of Selected

Soviet Burleos-to-Serisos

Hissile and Rocket Valts



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Estimated Costs of Selected Soviet Surface-to-Surface Nissile and Rocket Units

1. Missile Units

Estimates of initial investment and samual operating costs for Soviet SS-1, SS-2, and SS-1, and SS-4 missile units are presented in this section. Given the uncertainty surrounding the characteristics and the tables of organization and equipment and costs of these Soviet missile units, these estimates should be considered Little more than general approximations of the Soviet costs.

The two entegories represented, initial investment costs and enough operating costs, differ in important respects from the entegories as generally used in weapons systems enalysis. The missile costs emulate the cost of warheads and include only the number of missiles required for the basic local of the given unit. There is no allowance either for missiles used up in initial or enough training or for missiles ensigned to stockpiles. For the 65-1, and 65-2 the basic unit is a battalion; for the 65-1 and 65-4 costs are estimated per leuncher. For all missile units an attempt has been made to account for costs securing to the basic units as a regult of central support activities in those echolous inmediately behind the basic units as well as army-side ensemble and apport functions.

The estimates of the costs of the various missile systems follow:

	88-1 Bn	88-2 Bn	8S-3 Launcher	68-4 Leuncher
Manpower - basic unit plus central support				
area.	250	500	250	25 0
Launcher per unit	6	2	1	1
Missiles per unit	24	6	3	′3
Initial Investment (Million 1955 Rubles)				
Missiles s/	24C	6 0	3C	3 C
Other	25.4	20.6	16.0	16.0
Annual Operating Costs (Million 1955 Embles)	7.8	10.0	5.8	5.8

a. C represents the unit cost of missiles (exclusive of varhead) at a given level of cumulative production (X) in one plant. The general formula for calculating C is $C = K (1-n) / X^n$ where K = unit cost of first missile, K = cumulative production of missiles produced in a given plant, and n = slope of the cumulative average unit cost curve. For the missiles in question the unit costs in thousands of 1955 rubles are

2. FROG Units

At this time, the information required for estimating the costs of FROG-3 and FROG-4 is not available in the appropriate detail. For aggregative purposes the production estimates of these two types of rockets is combined and an average price of 56,000 1955 rubles per rocket is applied.